

Message Text

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PAGE 01 NEW DE 02519 210849Z

15

ACTION NEA-12

INFO OCT-01 ISO-00 L-03 ABF-01 AID-20 CIAE-00 COME-00

EB-11 FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07

OPIC-12 SPC-03 CIEP-02 OMB-01 AGR-20 SAM-01 NSC-10

SS-20 STR-08 CEA-02 SSO-00 H-03 INRE-00 NSCE-00 FS-01

IGA-02 DRC-01 /154 W

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O 210815Z FEB 74

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC IMMEDIATE 9820

LIMITED OFFICIAL USE NEW DELHI 2519

E.O. 11652: N/A

TAGS: EFIN, IN

SUBJECT: RUPEES: CONVERSIONS

REF: NEW DELHI 2265, STATE 32410

1. WE CONCUR IN THE APPROACH SUGGESTED IN REF B. WE WILL DISCUSS MATTER WITH FOUNDATION REPRESENTATIVES BUT EXPECT NO DIFFICULTIES SINCE FOUNDATIONS CAN GET SAME RATE FROM COMMERCIAL BANKS.

2. BEFORE WE DISCUSS MATTER WITH GOI WE WOULD APPRECIATE CONFIRMATION THAT WE INTEND TO LIMIT 104(J) CONVERSIONS SOLELY TO AMERICAN TOURISTS VISITING IN INDIA, I.E., WE WOULD CEASE CONVERSIONS FOR BUSINESS FIRMS AS WELL AS FOUNDATIONS.

3. IN THIS REGARD WE NOTE THAT USDO, DELHI, RECEIVES MANY MESSAGES FROM WASHINGTON DURING THE COURSE OF A YEAR REQUESTING IT TO EFFECT RUPEE PAYMENTS TO PAYEES IN INDIA FROM PROCEEDS OF DOLLAR CHECKS SENT TO DELHI. FOR EXAMPLE, DURING SIX MONTH PERIOD MID-AUGUST 1973 TO MID-FEBRUARY 1974 USDO RECEIVED

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INSTRUCTIONS FROM WASHINGTON TO MAKE PAYMENTS ON ELEVEN

CHECKS TO MR. G. S.

SETHI OF GLOBEMASTER, INC., FOUR CHECKS TO MR. M. V. SINGH OF NATIONAL SOYBEAN PROCESSORS ASSN., AND ONE CHECK EACH TO REPRESENTATIVES IN INDIA OF NATIONAL COUNCIL OF CHURCHES OF CHRIST, AND COMMITTEE ON CHRISTIAN LITERATURE FOR WOMEN AND CHILDREN IN MISSION, INC. THESE CHECKS TOTAL APPROXIMATELY \$15,000, OR \$30,000 AT ANNUAL RATE. WE WOULD LIKE CONFIRMATION THAT SUCH 104(J) CONVERSIONS WILL ALSO TERMINATE.

4. UNLESS INSTRUCTED TO THE CONTRARY BY OPENING OF BUSINESS IN DELHI FRIDAY, FEBRUARY 22, WE INTEND TO PROPOSE TO KRISHANSWAMI THAT 104(J) CONVERSIONS FOR AMERICAN TOURISTS VISITING IN INDIA BE CONTINUED AND TO CITE DE MINIMIS ARGUMENT AGAINST SUBTRACTING SUCH CONVERSIONS FROM \$6.4 MILLION ANNUAL PAYMENT. WE INTEND TO STATE THAT ALL OTHER TYPES OF CONVERSIONS UNDER 104(J) WILL BE TERMINATED AS OF JUNE 30, 1974.
MOYNIHAN

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Message Attributes

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Draft Date: 21 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
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Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Executive Order: N/A
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Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

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Review Release Event: n/a
Review Transfer Date:
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Status: NATIVE
Subject: RUPEES: CONVERSIONS
TAGS: EFIN, IN, US
To: STATE
Type: TE
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